



**JEFFERY FREAL
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2 MURPHEY RD
HATTIESBURG MS 39402**

Contact Information

1st FRANKLIN FINANCIAL CORPORATION
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HATTIESBURG, MS 39401-3129
Branch (601) 296-0400
Fax (601) 296-0402
Website: www.1ffc.com

Payment Information

ACCOUNT NUMBER:	2467	
ANALYSIS DATE:	06/24/2025	
	PRESENT PAYMENT	NEW PAYMENT AS OF 08/04/2025
Principal & Interest (P&I)	649.04	649.04
Escrow Payment	264.06	476.65
Total Payment	913.10	1,125.69

ANNUAL

Escrow Account Disclosure Statement

I. Why Am I Receiving This Statement?

1st Franklin Financial Corporation reviews your escrow account every year to ensure that you have enough money in your Escrow Account to pay, as applicable, your upcoming property taxes, homeowners insurance premiums and flood insurance premiums when they are due. This Statement provides details of any changes in your Escrow Account and resulting changes to your total monthly mortgage payment.

We have to collect enough from you each month to cover the anticipated payments from your escrow account that we will make. We anticipate the following payments from your escrow account next year: Property Insurance of \$3464.00, Property Taxes of \$401.37, and Flood Insurance (if applicable) of \$1180.11.

II. Escrow Account History

This section itemizes the actual escrow account transactions since your previous escrow analysis or initial escrow disclosure. The "Projected" payments from your previous escrow analysis are to the left of the actual payments, disbursements, and escrow balance.

This is a Statement of Actual Activity in Your Escrow Account From August 2024 Through August 2025							
Payments to Escrow Account			Payments from Escrow Account			Escrow Account Balance	
Month	Projected	Actual	Projected	Actual	Description	Projected	Actual
August	264.06	0.00 *				264.06	0.00
September	264.06	0.00 *				528.12	0.00
October	264.06	3,619.40				792.18	3,619.40
November	264.06	0.00 *				1,056.24	3,619.40
December	264.06	1,005.53		401.37	FORREST COUNTY TAX COLLECTOR	1,320.30	4,223.56
January	264.06	264.06				1,584.36	4,487.62
February	264.06	0.00 *				1,848.42	4,487.62
March	264.06	528.12 *		1,180.11	AON EDGE	2,112.48	3,835.63
April	264.06	264.06		3,464.00	FOREMOST	2,376.54	635.69
May	264.06	264.06				2,640.60	899.75
June	264.06	264.06				2,904.66	1,163.81
					Current Impound Balance as of 06/24/2025		1,163.81
*June		0.00					1,163.81
*July	264.06	264.06				3,168.72	1,427.87
*August		0.00					1,427.87
(*)projection							
Totals	\$3,168.72	\$6,473.35	\$0.00	\$5,045.48			

Last year we projected that payments from your escrow account would be made during the year equaling \$0.00. Under federal law, your lowest monthly balance should not have exceeded \$264.06, or 1/6 of the projected payments from the escrow account. Your targeted low point escrow balance (Low Point) was therefore \$264.06. Your actual low point escrow balance was \$0.00. By comparing the projected payments to and from the escrow account with the actual payments to and from the escrow account, you can determine where a difference may have occurred. The items with an asterisk (*) on your account history may explain this. The ending actual balance may include transactions that have not yet been posted to or from your escrow accounts as of the date of this analysis. These items, if any, are identified with a (P).

III. Projections for the Coming Year

This section estimates the activity in your escrow account for the coming year and is based on payments we anticipate receiving from you ("To") and payments from your escrow account that we anticipate making on your behalf ("From"). When your escrow balance reaches its lowest point during an account cycle, that balance is targeted to be your cushion amount or Low Point.

Projected Escrow Activity From August 2025 Through August 2026					
		Escrow Account Projected Payments		Escrow Account Balance Projected	
	To	From	Description		
			Required Starting Balance	2,102.33	
August	420.45			2,522.78	
September	420.45			2,943.23	
October	420.45			3,363.68	
November	420.45			3,784.13	
December	420.45	401.37	FORREST COUNTY TAX COLLECTOR	3,803.21	
January	420.45			4,223.66	
February	420.45			4,644.11	
March	420.45	1,180.11	AON EDGE	3,884.45	
April	420.45	3,464.00	FOREMOST	840.90	
May	420.45			1,261.35	
June	420.45			1,681.80	
July	420.45			2,102.25	
August	0.00			2,102.25	
				\$5,045.48 Total Escrow Account Payments	

Our review shows your escrow account has a SHORTAGE. This shortage exists because you don't have enough money in your escrow account to cover the actual amounts needed to pay future escrow payments from your account. Your ending escrow balance was \$1,427.87, and your anticipated escrow account balance according to this analysis should be \$2,102.33. Therefore, you have a SHORTAGE of \$674.46. We will collect the shortage amount over the next 12 months with your mortgage payment.

As shown at the top of page 1, **YOUR TOTAL MONTHLY MORTGAGE PAYMENT FOR THE COMING YEAR WILL BE \$ 1,125.69**, which includes \$ 649.04 for principal and interest, and \$ 476.65 for your escrow account.

(Please keep this Statement for comparison with the actual activity in your account at the end of the next escrow accounting computation year.)



JEFFERY FREAL
2 MURPHEY RD
HATTIESBURG, MS 39402

Dear JEFFERY FREAL,

We are providing this notice to inform you about an important update regarding your escrow account with 1st Franklin Financial Corporation ("1FFC"). Recently, 1FFC transitioned to a new servicing platform to enhance our service quality and provide you with a more efficient and borrower-friendly experience. Due to this conversion, there are a few changes in the way we are reporting your annual escrow account information this year.

Key Changes:

1. **Total Amount on the Date of Conversion:** The Escrow Account History Statement you received reflects your escrow account balance as of 10/19/2024, the date 1FFC converted to the new servicing platform. Unfortunately, the new system cannot generate the specific monthly amounts paid to your account before the conversion date. Therefore, the statement only reflects the balance of the escrow account on the conversion date and may not include payments to or from your escrow account prior to that date.
2. **Availability of Detailed Information:** If you need detailed information regarding specific monthly amounts and disbursements into your escrow account before the conversion date, we are happy to provide this information upon request. Please contact Jared Dye at (706) 282-5515 and we will ensure you receive the necessary details.

We apologize for any inconvenience this may cause and appreciate your understanding as we work to improve our services. If you have any questions or need further assistance, please do not hesitate to reach out to our customer service team at (800) 700-7943.

Thank you for your continued trust and partnership.

Sincerely,

1st Franklin Real Estate Loan Department